

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office  
FLOOR DEBATE

March 19, 2004 LB 1091

PRESIDENT HEINEMAN: Thank you, Senator Stuhr. Chair recognizes Senator Raikes.

SENATOR RAIKES: Thank you, Mr. President and members. I did want to make a point or two about use of lottery money and other...well, as well as, I guess, the tobacco settlement money. The tobacco settlement and IGT money, again, back to the sheet, the 260 million-plus dollars, was set up in an arrangement, and I hope somebody will correct me if I don't have this right, but basically an actuarially-based arrangement whereby there are monies available to fund about \$50 million worth of programs annually into perpetuity. In other words, long after the settlement monies keep coming and long after intergovernmental transfers, there would be money to fund the specific programs that are...that receive monies from those programs. I endorse that. I think that is a wise use of the money. It's a situation where obviously you can't spend as much money on those programs as if you didn't do that. You could just spend all the tobacco settlement money each year, but if you did that, when the tobacco settlement funds end, those programs have to end. So I think this is a very good arrangement. It was, I think, LB 692, which happened a number of years ago, maybe in the late nineties, I'm not sure. But I think that's a very good program or a very good way to handle it. Now, as I understand it, the \$10.3 million that's being withdrawn there now is because of a change in the expected deposits into that fund, so that even when you take that 10 million-plus dollars out of there, there still will be possible to continue funding those programs into perpetuity. Now, again, I endorse that way of doing things. The lottery money, and particularly the education lottery money, but all lottery money, I'd like to make a point of two about that. One is that there are certain uses of that lottery money that make good sense, and maybe some that don't make as much sense. A part of the education lottery money in the past has been used for schools to develop innovative programs. Well, the difficult...and there were grants for those innovative programs. Well, the difficulty is, you know, suppose you get a grant which is for, like, one or two years; you develop a program and it's successful. Then what do you do? Where do you get the money to continue the program? There's not really a way to do it. So that has been, to me, a weakness of that particular use of those